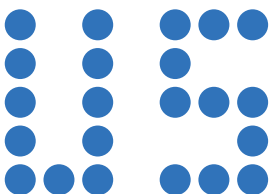We can develop
all of our talent
and put all of our
talent to work.

The Opportunity Challenge
February 16-18, 2011

Imagine a community where all citizens have the opportunity to develop all of their talents and put all of their talents to work.

Where everyone is the CEO of his or her own career and the community communicates the value of learning every day in every way. Where one's "portfolio of work" is made up of multiple sources, some paid, some unpaid, that evolves and adapts throughout life to changing circumstances. What would this mean to the ability for all people to climb the economic ladder?

Human capital development has taken on new meaning in the 21st century. Whereas once we could count on 12 years of schooling being enough for life, now the need to develop one's talent and gain new skills continues throughout life. The local implications of this shift are profound.

The places that thrive today are those with the highest velocity of ideas and the highest density of talented people. Indeed, 58 percent of a city's success, as measured by per capita income, is explained by the percentage of its population with a four-year college degree. In most metro areas, the economic value of increasing local college attainment rates by just one percentage point is worth more in additional personal income annually than the payroll of the largest local private employer.

But when it comes to identifying talent and its potential, college attainment is a convenience at best. Does anyone still believe that talent development begins and ends with schools? Furthermore, conventional thinking assumes "talent" refers to a special class of people, while a fully developed and imaginative talent agenda assumes all human beings have talent.

Developing talent in the fullest sense is not just the result of schools or early childhood education or workforce development. It is also the result of intense practice with the prospect of failure, taking risks, trying new things, putting one's talent to work in new and unfamiliar settings, the provision of opportunity, a whole web of public amenities such as libraries and community services and the culture of a place. But these links are not often enough made, and further, these areas of specialty don't function as a system with a common goal. As a result, there is no sense of what each is supposed to produce in support of an overall talent agenda for a community.

Imagine a community taking up this challenge to develop all of its talent and put all of its talent to work. What would full engagement look like? What would be an effective quick start strategy? Where are the early wins? And how would a community know when it is succeeding?

BIG IDEAS are needed for any city to achieve the ambition of making it possible for a city to develop all of its talent and put all of its talent to work. The goal of the Opportunity Challenge was to generate those Big Ideas using a set of guiding principles, tactics and demonstration projects that provide an actionable and compelling framework for achieving the Opportunity ambition.

On February 16-18, 2011, CEOs for Cities convened the Opportunity Challenge in Memphis. Together with Mayor A C Wharton and a team of national experts, CEOs for Cities and the City of Memphis created a compelling vision and practical strategies to determine what it would take to achieve the Opportunity ambition:

We can develop all of our talent and put all of our talent to work.

Three major concepts were developed in Memphis to frame the effort to achieve the Opportunity Challenge. The concept of the Learning City guides how Memphis should develop its talent. The concept of the Venture City suggests how to put that talent to work. And the Connected City points to the importance of linking all of Memphis' talent to increase the velocity of ideas. As developed in Memphis, these concepts are mutually supportive.

Using a methodology developed by Charlie Cannon, Associate Professor and Founder of the Innovation Studio at the Rhode Island School of Design, the team worked within the Learning City and Venture City frameworks to identify Big Ideas for achieving the Opportunity ambition.

The Big Ideas may be thought of as different lenses for understanding how to achieve the ambition through which specific projects identified by our key stakeholders can be viewed. In effect, these projects are expressions of the Big Ideas. So while Memphis was the laboratory for exploring Big Ideas, the strategies identified in this report are both locally relevant and nationally significant.

The following pages reveal the 13 Big Ideas that emerged from the Opportunity Challenge, as well as specific strategies for executing them locally.

The Opportunity Challenge team included:

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Demitri Patikas, Senior Advisor to the President, Duncan Williams Inc.
Dr. Douglas Scarboro, Executive Director, Office of Talent and Human Capital, City of Memphis
Gretchen Wollert McLennon, Program Officer, The Hyde Family Foundations

The Opportunity Challenge is one of five national challenges staged by CEOs for Cities as part of the US Initiative, an ambitious movement by CEOs for Cities' national network of civic leaders to define a new American Dream. The project articulates a Declaration of Interdependence with values that define cities of tomorrow, today.

Results of the Opportunity Challenge will be put to use in national publications related to the US Initiative, including a book to be published by The Rockefeller Foundation.

THE LEARNING CITY

A Learning City is one where every moment is a teachable moment and every asset is turned into a platform for teaching and learning. It is a city that uses its institutions and civic spaces as places of learning — its libraries, fabrication labs, public spaces and third places. It is a city that builds awareness and opportunity through citywide learning events and challenges.

1. PLAY THE GAME OF YOU

Video gamers spend 80% of their time failing. Yet, the top five feelings gamers feel are amusement, contentment, wonderment, excitement and curiosity. Tackling challenges feels good.

A Learning City is a place where all citizens are engaged in "The Game of You," framing their lives and work as epic adventures in which they are consciously working on their own improvement and the mastery of new skills.

Foundational to the Game of You is the recognition that formal and informal learning can happen everywhere and that people should have an opportunity to reflect on their learning, organize and report it, and seek credit for it.

One way to organize such learning is what Katherine von Jan calls "the unresume." The unresume is imagined as a learning aggregator, a digital platform that allows users to document their learning as a portfolio of projects, thinking and experiences, to share that with others for crowdsourced credentials, to seek learning and to offer teaching to others. This platform, embedded with persistence mechanics, engages people by encouraging them to contribute, "unlock" their powers and opportunities, reflect on their own progress and exchange progress for rewards.

2. BROADLY EMBRACE E-PORTFOLIOS FOR LEARNING

The Learning City is a place where people recognize that learning can take place anywhere anytime and have an opportunity to document and get credit for their experiential learning.

Fortunately, the University of Memphis, which educates most Memphis graduates, has been a long-time leader in offering credit for experiential learning and portfolio learning through its University College.

But there is an opportunity for the city of Memphis to embrace and promote portfolio learning in a much more expansive way.

A multi-tiered strategy includes the development of the unresume platform, a ramp up of the number of people taking advantage of University College and the development of a transparent market for conferring credit for e-portfolios from multiple institutions.

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3. TACKLE TEN POLICIES TO ACCELERATE POST-SECONDARY EDUCATION COMPLETION

The Learning City is a city that is committed to removing the toughest policy-based obstacles to school completion. Here are ten objectives policies to accelerate degree completion developed by Gateway for College National Network:

1. **Create multiple dual enrollment opportunities for high school students.** College access should not be restricted to high-achieving students. Policies should afford students access to a broad range of college courses and credits while in high school.

2. **Ensure dual enrollment courses transfer among state public institutions.** Some state four-year institutions do not accept dual enrollment credits for core requirements. Articulation policies should be designed to guarantee students relevant credit for all courses successfully completed.

3. **Insist states calculate extended-year high school graduation rates.** In addition to four-year cohort graduation rates, states have flexibility to include extended-year graduation rates in their federal accountability models. Reporting five- and six-year graduation rates give schools and districts credit for students who need additional time for completion, providing incentives to re-engage dropouts and encourage students to remain in school.

4. **Provide reengagement opportunities for dropouts.** Communities should provide relevant and engaging programs that attract and re-enroll students who have not completed a high school diploma. These programs may include in-district options as well as charter and contractor-provided programs. Education agencies should reframe the GED as a step toward post-secondary enrollment rather than a point of completion.

5. **Consider local school district funding sources on a per-pupil basis.** Because state funding is allocated on a per-pupil basis, it follows students who may transfer to or re-enroll in alternative programs. However, local property tax revenues are typically pooled and not thought of as available on a per-pupil basis.

6. **Allow flexibility in regulations so that high school programs can adopt proficiency-based strategies.** Provide schools flexibility around requirements such as seat time and school year calendars, which allows schools to adopt innovative practices which move students forward based on proficiency.

7. **Encourage offering college placement exams and college prep coursework early.** Far too many students enter college without the knowledge and skills to be successful in college level courses. Increased focus on college level skills through an aligned curriculum ensures students do not end up in a cycle of remedial courses. High schools can identify skill and knowledge deficiencies by providing college placement exams and college prep coursework to high school students early enough to avoid remediation.

8. **Incentivize persistence and completion in college.** Colleges are typically funded based on enrollment, creating little incentive to prioritize persistence and completion. Linking funding to student performance on key indicators of persistence, achievement, and completion creates a priority to focus on developing and sustaining effective practices.

9. **Create multiple pathways linked to real employment opportunities.** The K-12 to postsecondary pipeline should be presented to students such that they understand what type of technical certificates and two- and four-year degrees are aligned to local employment opportunities.

10. **Provide resources for professional development at the college level.** Professional development for community college faculty is often limited to full-time faculty and is not consistent. Part-time and adjunct faculty should have access to professional development on instruction and proven instructional delivery methods such as project-based learning, service learning, and modular learning strategies.

4. CREATE A PUBLIC INNOVATION LAB TO RE-ENGAGE DISCONNECTED 16-24 YEAR-OLDS

The Learning City is a place that re-engages youth who are out of work and out of school and gets them back on the learning track.

The City of New York created a model for this public innovation lab with its Center for Economic Opportunity. The Center has a strong focus on people who are especially challenged by their preparation for and access to jobs.

One key learning of the Center is that paid internships can often be used as a hook to re-engage disconnected youth and ultimately connect them to educational services. Therefore, the key is to make education a condition of employment. In NYC's case, education is paired with internships in such programs as Justice Corps, and the new Social Innovation Fund Young Adult program. These internships are developed in concert with the City of New York and with existing community organizations.

But the center has also learned that these worker/students will likely not succeed if they return to their former schools where they previously failed. So they need to be connected to strong education programs.

They also need social support to overcome the barriers that interfere with work and school. The best programs blend support by sharing responsibility across institutions. Sometimes, support doesn't cost more. It costs "different." The key is to develop mechanisms for coordinating support for individuals across institutions and to make maximum use out of services already provided throughout the community.

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5. ACHIEVE THE TALENT DIVIDEND

Since the percentage of college graduates in any city's population explains, conservatively, 58 percent of its success, the Learning City is a city that increases its college degree attainment.

Coordinated by Leadership Memphis and led by Buckman Labs Chair Kathy Buckman Gibson and Memphis Urban League President and CEO Tomeka Hart, Memphis is already pursuing the city's Talent Dividend of $1 billion annually in additional personal income. It is a broad community collaborative to gain a one percentage point increase in college attainment among the Memphis metro population.

The team also made Memphis the first city in the nation to register to compete for the Talent Dividend Prize, a $1 million award offered by CEOs for Cities with support from Kresge Foundation and the Lumina Foundation for Education to the city with the greatest per capita increase in post-secondary degree attainment.

Pursuit of increased degree attainment for Memphis is the most obvious path to increasing the city's success as measured by per capita income.

6. CREATE AN OFFICE OF TALENT

Successful cities in today's economy are cities with talented workers – young, college-educated men and women. Mayor Wharton created the nation's first Office of Talent and Human Capital Development within City Hall to frame all of his efforts on behalf of the city as in service of human capital development. The Office of Talent's role includes broad talent development, not just attraction and retention, and it recognizes the opportunity for talent development to spur attraction and retention.

7. ESTABLISH A LEARNING CITIES COALITION

Memphis Mayor A C Wharton can build momentum for Memphis as a Learning City by forming a national coalition of mayors committed to the same goal. The coalition can offer mayors an opportunity to share strategies, collaborate on research, bring attention to and build momentum for their work, and gain broader acceptance for the concept of the Learning City.

THE VENTURE CITY

The Venture City is a place that puts all of its talent to work by supporting a robust entrepreneurial ecosystem that encourages risk-taking and new venture start-ups. A successful Venture City increases the demand for talent and quickly bumps up against limited supply, which connects to the Learning City. The Venture City relies on the Learning City as a talent pipeline. In the Venture City, the ability to attract skilled people is more important than the ability to obtain new capital.

8. BUILD AN EVERGREEN ENTREPRENEURIAL ECOSYSTEM

The Venture City is a place that links all the steps in the entrepreneurial eco-system to enable all people – entrepreneurs, creatives, those in the public and nonprofit sectors – to take risks.

The Venture City offers an ecosystem wherein an entrepreneur can champion an idea through a set of steps that, if the idea is good enough, lead to a start-up and ultimately to that entrepreneur's reinvestment back into the system. Building this pathway from idea to success to reinvestment starts with identifying entrepreneurs and risk-takers and networking them with one another and with incubators that can provide formal training in venturing. A set of checkpoints would elevate the best ideas quickly and link those entrepreneurs and risk-takers to angels or other investors who can provide capital. A final, critical mechanism would encourage (and perhaps require) reinvestment into the system by successful entrepreneurs, whether capital or wisdom. This final step acknowledges the cyclical nature of an evergreen fund where some percentage of profits is plowed back into other ventures. This is also the foundation of "Civic ROE," which is explored further in the next section.

As a starting point, Memphis is looking to the industries where there is already entrepreneurial momentum. The top three are music, film and bioscience with innovation and tech start-ups not too far behind. Taking inventory of burgeoning clusters and testing for critical mass will be important steps in cultivating the Venture City.

Also critical to the Venture City is understanding that all ideas are not worthy of investment and that sorting them out early will save time and money. Creating a selection environment wherein the best ideas rise to the top helps would-be entrepreneurs figure out at an early stage whether their venture is viable, thereby mitigating investor risk. The Memphis Music Foundation, which operates a robust resource center for budding independent musicians, gave us a good rule of thumb: the first indication that your idea or talent may not be bankable is if someone isn't willing to co-risk his or her time.

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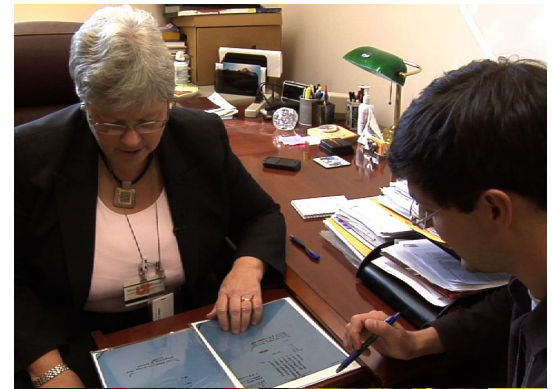
9. REDEFINE THE RETURNS

The Venture City is a place where the investment community sees the civic return on their investments. Civic ROE conveys entrepreneurs' impact on the local economy resulting from making the city a better place, putting more people to work and creating more wealth. It further reinforces that real job growth comes from expansion of existing firms and births of new firms, not the relocation of firms.

The key message of Civic ROE is this: the Venture City will redefine Memphis in the 21st century. Investors hedge risk based on knowledge of return. Determining the metrics that will measure Civic ROE and factoring it into the calculus of returns promotes the important role that entrepreneurship and risk-taking plays in the economic and social well-being of the city.

10. PLAN FOR THE LONG TERM

Building the Venture City is not a short-term proposition. Eric Mathews of Launch Memphis suggested it takes six leaders dedicated for 20 years to support a complete cycle of the entrepreneurial ecosystem. How do you identify the people who are going to push the boulder up the hill? Leadership succession planning is critical to the longevity and sustainability of the Venture City and may need to include a renewing cycle for successive waves of leadership.

To become the Venture City leverage existing resources first, then move to outsiders for investment.

11. CREATE PATHWAYS TO EMPLOY THE HARDEST TO EMPLOY

No one is harder to employ than ex-felons. And Memphis, like most cities, has many of them concentrating in large numbers in their former neighborhoods with no prospects for productive work. This is a threat both to their neighborhoods and to the larger community.

While the public sector and NGOs in some cases can provide stop-gap, short-term employment, private sector employers likely have a more credible voice in specifying the conditions under which they would hire ex-felons. Therefore, the Venture City will convene human resources experts in the private sector to mine their expertise for strategies that can lead to employment for ex-felons.

THE CONNECTED CITY

Without policies and strategies that foster connections, Memphis has no hope of being a Learning or Venture City.

As economist Joe Cortright noted in his presentation, cities exist to connect people. The social, business and intellectual connections make us smarter, accelerate innovation and invention and create more opportunity.

Connectivity has a social as well as a physical component.

12. FOSTER SOCIAL CONNECTIONS

Talented Memphians are living all over the globe. These Memphians are prospective customers for Memphis goods and services, and they are sources of support and service to Memphis' ambitions.

Australia has a program that formalizes these links called Advance Australia (http://www.advance.org/). The organization stays in touch with ex-pats in hopes that they will promote the interests of Australia, serve on boards and provide investment funds to Australian enterprises attempting to do business globally, and eventually return home, either for extended stints of work or permanently.

13. FOSTER PHYSICAL CONNECTIONS

Memphis is one of the most sprawling cities in America. Sprawl is likely to be accelerated with the completion of a new outer ring interstate.

Since the purpose of cities is to connect people, sprawl undermines a natural city advantage. Further, sprawl undermines other natural city advantages including variety, opportunity and discovery.

Therefore, Memphis needs to recalibrate land use and transportation policies to minimize sprawl and start reknitting the city physically. But this is, unfortunately, a long-term strategy.

In the short term, the most promising strategy for physical reconnections is to accelerate the revitalization of downtown.

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